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THE EFFECT OF INTERNAL MARKETING TOWARDS CUSTOMER-ORIENTED BEHAVIOR (CASE STUDY: IRANIAN BANKING INDUSTRY)

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ABSTRACT

This study seeks to investigate the effect of internal marketing towards customer-oriented behavior in Tejarat bank in Ahvaz. For this purpose this study employed a structural questionnaire to collect information from 270 staffs in Tejarat bank using random sampling and stratified sampling methods. For analyzing the research hypothesis, this study used confirmatory factor analysis (CFA) and structure equation modeling (SEM) using Amos 20. The results show the significant effect of job satisfaction as a most effective factor on the customer-oriented behavior, following by authorized autonomy and value of needs on the customer-oriented behavior. Moreover attitude, emotional labor and authorized autonomy significantly and positively influence on job satisfaction. Adjusted R-square was 0.70 and 0.71 for job satisfaction and customer-oriented behavior respectively which are more than 0.50. This finding will be useful for financial institutions and managers for applying marketing strategies towards customer-oriented behavior. In addition, this result can use for further research and it will help researcher in this area.

Keywords: *Internal Marketing, Job Attitude, Emotional Labor, Job Satisfaction, Customer-oriented Behavior*

INTRODUCTION

Nowadays the employees play a critical role in the fulfillment of the organizational goals, especially in promoting the quality of services. Due to the importance of the employees' outputs in organizations in general and service organizations in particular, wide researches have been done on these sorts of the outputs and their effective factors. Thus in recent decades, the related subjects of the internal marketing and the attitude toward the employees as the internal customers have been proposed seriously. Indeed the goal of the internal marketing is to guarantee the satisfaction of the employees and to improve the quality of the goods and services in order to attain the satisfaction of the external customers. This process is in fact a move from the internal customers to the external customers of the organization (Gummesson, 1998).

In our ever-changing and competitive world of today, most firms look for solutions for increasing their own competitive advantage. One of such solutions is to move toward the improvement of the services to the customers. Hence the firms usually attempt to provide more facilities to their customers and to meet their needs promptly. But the intelligent and wise organizations revise their behaviors in relation to their own employees to keep them satisfied. Employees are the most important assets and capital of any organization. The lack of suitable and good employees for providing the goods and services of the organization will face the organizations with severe challenges and problems in the competitive advantage. These problems are more prominent in the service organizations (Abbasi and Salehi, 2011)

Gronroos (2000) emphasizes that the firms have to attain the employees' satisfaction and consider the employees as the internal customers who introduce the firms to the main and external customers (Lee and Chen, 2005). Environmental dynamics and increasing competition have made the organization attain the satisfaction of the customers for more competitive activity and acquire new customers. One of the most important factors that can promote the quality of services is the internal marketing. Thus the internal marketing is a very important component in the strategic planning of the organization. When the internal marketing is managed properly (Green and Walls, 1994). A form of the competitive advantage is to serve

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the customers whose result is the constant loyalty of the customers. A very important approach in attaining this goal is the internal marketing that is a key factor for providing the best services and for the successfulness of the external marketing of any organization (Doukakis, 2002). Nowadays, the human capitals and intangible assets are the ultimate source of creating the sustainable value (Hug, 2000); thus the human resources of the organization are the foundation for obtaining a sustainable competitive advantage. If the firm fails to meet the needs and wants of its labor and consider it not as a main capital but as a costly asset, the firm would not provide suitable and valuable goods and services to its customers. In any stressful environment the service organizations have to recognize the internal marketing in order to promote the organizational value of their employees and to manage their relationship with the employees in line with the external marketing that is the focus of the customers (Fu, 2013). Nowadays the internal marketing is considered as a strategy for the marketism. Lem *et al.*, (2010) believe that marketism is a concept of the external marketing implying to meet the customer's needs more effective than the competitors. On the other hand, internal marketing is known as a management technique for solving the problems of the internal services efficiency, market-orientation, successful implementation of the proper plans, and customer-orientation (Varey and Lewis, 1999).

The importance of the services sector in economy has made us pay more attention to the effectiveness of serving the customers in recent decades. Providing high quality of services to the customers causes the customers satisfaction and to the successfulness of the organization. Satisfaction or dissatisfaction of the customers has a direct impact on the scale of the profitability. Thus the services firms try to identify the effective factors on the Customers satisfaction and to define their service strategy in this regard (Fu, 2013).

Considering the necessity and importance of this subject and the increase of the competition among the service-financial firms for attaining more market share, the managers of such firms inevitably look for higher level of Customers satisfaction and Customers loyalty. In this process, the role of the employees in the mentioned industry is obvious. Satisfied employees can do their best efforts to attract, to preserve and to satisfy the customers. Internal marketing is a concept that can help the banks to fulfill their goals.

The main objective of this research is to study the role of the internal marketing in the emotional labor and employees' attitude toward the labor, and its effect on the job satisfaction, and finally to identify the effect of these variables on the customer-orientation behavior. Indeed the objective of this research is to study the effects of the internal marketing on the customer-oriented behavior of the employees of Bank Tejarat of Iranian Khuzestan Province. We hope that the result of this research can help to improve the behavior of the bank employees with the customers.

Literature Review

Internal Marketing

One of the basic principles of this approach is that all employees of the firm will accept the behavior, thought and tendency of the marketing in their dealing with the customers. According to Peers and Morgan, internal marketing is nothing but the application of the activities of external marketing within the organization. On the other hand, Gronroos (2000) believe that the internal marketing includes the concepts of internal customer, suitable relationship between the employees and between the employees and management. The organizations that select, develop and manage their human resources with regard with the mentioned concepts can create a unique competitive advantage (Ramuz *et al.*, 2012).

The concept of internal marketing was first proposed by Berry (1981). Berry who defines the bank employees as the internal customers proposed the concept of the internal marketing emphasizing on the impact of the satisfaction of internal customer on the external customer. Now after several years of Berry's work, the concept of internal marketing found its way in the literature of the management sciences. Moreover, the concept of the internal marketing asserts that the first market of any firm is the employees of its organization. The main goal of the internal marketing is to satisfy the employees that are encouraged and are customer-oriented in all steps of their work (Sedqiani *et al.*, 2014).

Cooper and Crooni believe that the internal marketing is the attempt of the organization to train and reward and manage the human resources for providing better services (Abzari *et al.*, 2009).

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Internal marketing is to view the employees as the customers and the jobs as the internal products that lead to the satisfaction of the needs and wants of the internal customers in order to fulfill the organizational goals (Hasanqolipur *et al.*, 2012). Internal marketing is the precondition for the customer satisfaction that is a strategic approach challenging the employees' behavior in having desirable behaviors with the customers of the organization. It can accelerate the tendency organization toward the marketing. In fact the internal marketing contains two main principles: (A) internal marketing is a mechanism for developing the commitment to marketing in the organization; and (B) internal marketing leads to the increase of the efficiency and effectiveness of the employees in the services chain (Amir *et al.*, 2011).

Elements of the Internal Marketing

2.2.1. *Job security*: job security is a main element of the internal marketing. This aspect of the internal marketing is to equip the employees for their acceptable job satisfaction. The studies show that the increase of the employees' job satisfaction will lead to the increase of their satisfaction, loyalty and trust in the management (Rafiq and Ahmed, 2000).

2.2.2. *Wide variety of training*: in the developed global economy, the creation and development of knowledge is one of the important factors for attaining the competitive advantage. The studies show that the investment in training will have tangible results including the improvement of the attitudes, increase of the skills for promoting the quality of services, and the employees' satisfaction and loyalty (Dubrin, 2004).

2.2.3. *Offering generous rewards*: Paying salaries higher than the normal salaries of the industry, and payments suitable to the performance and efficiency of the employees is some ways of offering generous rewards. The studies who that the employees who receive higher salaries show more satisfaction and stronger commitment (Bansal and Morris, 2001).

2.2.4. *Information sharing*: in order to make communications and to share the information, the organizations must facilitate the information stream using several methods. The importance of this information stream is its role in facilitating the decision-makings, creating a mechanism for recording the feedbacks, and improving the level of the capabilities (Rafiq and Ahmed, 2000).

2.2.5. *Empowering the staff*: empowerment has to aspects: freedom of will and act on one hand, and the expectations and responsibilities on the other hand (Bansal and Morris, 2001).

2.2.6. *Reducing the gap among employees*: this factor enables the employees to state their ideas easily. As a result, this factor will increase the creativity, honesty, and trust and job satisfaction of the employees. There are two methods for implementing this factor: reducing the gap of the positions, reducing the difference level of the salaries in the organization, and creating the organizational symbols for making the organizational communications based on the development of the culture of honesty, trust and organization justice (Bansal and Morris, 2001).

Job Attitude

Attitude is to express the internal emotions showing the suitability or unsuitability of one's opinion against specific subjects. Allport defines the attitude as a state of mental readiness for reaction that is being formed through the experiences having direct and dynamic effect on the behavior.

According to another definition, attitude is the long-term organization of the emotional, perceptual and cognitive processes with regard to the environmental aspects of the persons. Accordingly, the attitude of a person is the set of his/her thoughts, feelings and reactions against his/her environment (Hawkins, 2006).

Job attitude should also not be confused with the broader term attitude, because attitude is defined as a psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor, whereas job attitude is a particular instance as an entity (Judge *et al.*, 2012). In the definition above, the term "job" involves one's current position, one's work or one's occupation, and one's employer as its entity. However, one's attitude towards his/her work does not necessarily have to be equal with one's attitudes towards his/her employer, and these two factors often diverge (Schleicher *et al.*, 2004).

Emotional Labor

Emotions are the temporary and short-term feelings that occur at a background of individual's awareness and need the prompt attention and cause the motivation in the behavior. From the biological point of

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view, emotions are a complicated set of actions and reaction between the mental and physiological factors under the nervous system leading to the emotional experiences in the individual (Lin *et al.*, 2014). Some researchers define the emotions as the mental states resulting from the individual perceptual evaluations of the events and thoughts (Loureiro and Roschk, 2014). There is an important difference between the affect, mood and emotion. Clever *et al.*, (1994) believe that the affect is indeed the positive and negative aspect of anything. They believe that all emotions are affecting, but all affects are not emotion and they would be mood instead (quoted by Kapoor and Chinmaya, 2009).

Emotional labor is different from the intelligent physical labor. In order to meet the interests of the organization, the management has to consider how to make its employees manifest their emotions. Yeen (2000) studied the emotional labor and found that the emotional labor can be measured by three aspects: “principle of emotional statement, superficial activity, deep activity, diversity of the needed emotions and the continuity of the actions and reactions” (Fu, 2013).

Job Satisfaction

Hulin (1971) states that the job satisfaction is an emotional phenomenon that each employee can obtain about his/her job. Thus the job satisfaction is obtained when the employees are satisfied with the nature of their job, with their wages and salaries, have good opportunities for promotion and progress, and are satisfied with their colleagues and managers. Hence the job satisfaction is an individual phenomenon (Robins, 1997).

Job satisfaction is a set of emotions and beliefs that the people have about their current job (George and Jenifer, 1999). Job satisfaction is a very important factor in the job successfulness. It is the factor that leads to the increase of efficiency and the sense of individual satisfaction (Shafiabadi, 1997). Job satisfaction means to like the conditions and facilities of the person’s job, the conditions in which the work is being done, and the reward given to that work (Shorters, 1990).

Job satisfaction means the sense of being satisfied with our work and its resulting pleasure and consequently, loving that work. Job satisfaction is a pleasant and positive emotional state resulting from the job assessment or the job experiences.

Job satisfaction is a multi-dimensional concept incorporating several aspects and factors among which we can refer to the traits of the employee, the kind of the work, working environment, and the human relationships (Helliegele *et al.*, 1996).

Fisher and Hann introduce the job satisfaction as an internal factor that is a type of emotional adjustment with the job and employment conditions. That is, if the job is pleasant and desirable for the person, he/she will be satisfied with his/her job. Conversely if the job is not pleasant and desirable, he/she dislikes his/her job and attempts to change it (Shafiabadi, 1997).

Hoppock believes that the job satisfaction is a complicated and multi-dimensional concept relating to mental, physical and social factors. Job satisfaction is not the result only one factor, but a set of factors are involved to create the sense of job satisfaction at a specific time so that the person says he/she is satisfied with his/her job and enjoys the job (Safiri, 1998).

Customer-oriented Behavior

Deshpande *et al.*, (1993) studied the customer-orientation from the viewpoint of the organizational culture and defined it as a set of beliefs that focuses on the customers’ interests regardless of the interests of the owners, managers and employees, in order to create a profitable organization in long-term. Customer-orientation is the proper understanding of its target buyers so that it can create a superior value for them (Narver and Slater, 1990).

Customer-orientation refers to the individual commitment to the improvement of the firm’s services and its tendency to have more profits for the customer (Olsen and Sky, 2013). In general, the customer-orientation is a principle showing the importance of caring the needs and wants of the customer in the whole organization (Olsen and Sky, 2013).

Customer orientation is a level at which the organization collects the customers’ information and uses it for meeting the needs of the customers and for regulating its own strategy. This strategy is implemented by responding the needs and wants of the customers (Kordnaeij, 2004).

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Background of the Research

Khodabakhsh (2010) used Rafiq-Ahmed Model. This model focuses on the coordination between the tasks in the quasi-marketing methods in order to understand the relationship between the internal marketing, quality of services, and its effect on the customer satisfaction. Khodabakhsh (2010) found that the factors of the internal marketing have a significant effect on the customer-oriented behavior.

Conduit and Mavondo (2001) studied three international companies in Australia and found that there is a significant relationship between the internal communications, human resource management and the customer-orientation.

Bansal *et al.*, (2001) proposed a model relating six performances of the internal marketing (e.g. the job security, suitable income, information sharing, employees' empowerment, and excellence of conditions) to the customers' satisfaction and loyalty with the mediating factor of the attitude of the internal customers (such as the loyalty to the firm, job satisfaction, customers' trust, etc.). The results of this research showed that the mentioned factors affect the external customers of the organization).

Bouranta *et al.*, (2005) studied the impact of the internal marketing on the customer-oriented behavior. They concluded that the internal marketing and its components have a positive significant effect on the customer-oriented behavior of the bank employees.

Abzari *et al.*, (2009) studied the effects of the internal marketing on the marketism in hotel industry. Their findings show that there is a significant relationship between the internal marketing and the marketism.

To *et al.*, (2015) studied the effect of management commitment to the internal marketing on the employees' attitude through the performance of the internal marketing. The results of this research showed that the employees' attitude to the labor is affected by the management commitment to the internal marketing.

Yoon *et al.*, (2004) studied the effect of the employees' support on the useful employees' reaction and the evaluation of the customer services. They showed that the internal marketing and the employees' support is effective on the employees' reactions such as their attitude toward the labor.

Lee *et al.*, (2013) studied the effect of the firm's social responsibility on the organizational trust, job satisfaction and the customer-orientation. The results showed the positive effect of the employees' job satisfaction on their customer-orientation.

Spronis and Gounaris (2006) conducted a comprehensive research to study the relationship between the internal marketing and the human resource management. They conformed the significant relationship between the principles of the internal marketing and the principles of the HRM.

Lings and Geenley (2010) studied the effect of the internal marketing on the employees' behavior. The results of this research showed that the internal marketing has a positive effect on the employees' behavior and it affects the marketing of the employees in turn.

Tortosa *et al.*, (2009) studied the effect of the internal marketing on the organizational performance. Their results showed that the internal marketing has an impact on the understanding of the employees and such an understanding can in turn leads to the increase of the quality of services and the increase of the customer satisfaction for received services.

Gounaris *et al.*, (2010) studied the relationship between the market orientation and the internal marketing and its effect on the customer satisfaction. The results of this research showed that the internal marketing can increase the employees' performance and lead to higher level of the quality of services, and hence it can lead to the increase of the external customer satisfaction.

Research Hypotheses and Conceptual Framework

This study seek to evaluate the internal marketing towards customer's behavior by following general research question: What are the internal marketing elements that effect the customer's behavior in a bank?

Research hypotheses of the study were formulated as below:

H1. Value of needs (internal market) has a positive and significant impact towards Customer's-oriented Behavior.

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H2. Authorized autonomy (internal market) has a positive and significant impact towards customer`s behavior.

H3. Emotional Labor has a positive and significant impact towards job satisfaction.

H4. Attitude has a positive and significant impact towards job satisfaction.

H5. Authorized autonomy has a positive and significant impact towards job satisfaction.

H6. Job satisfaction has a positive and significant impact towards Customer`s-oriented Behavior.

According to the theoretical background from previous studies, the conceptual framework derived from Fu (2013) and Lee *et al.*, (2013).

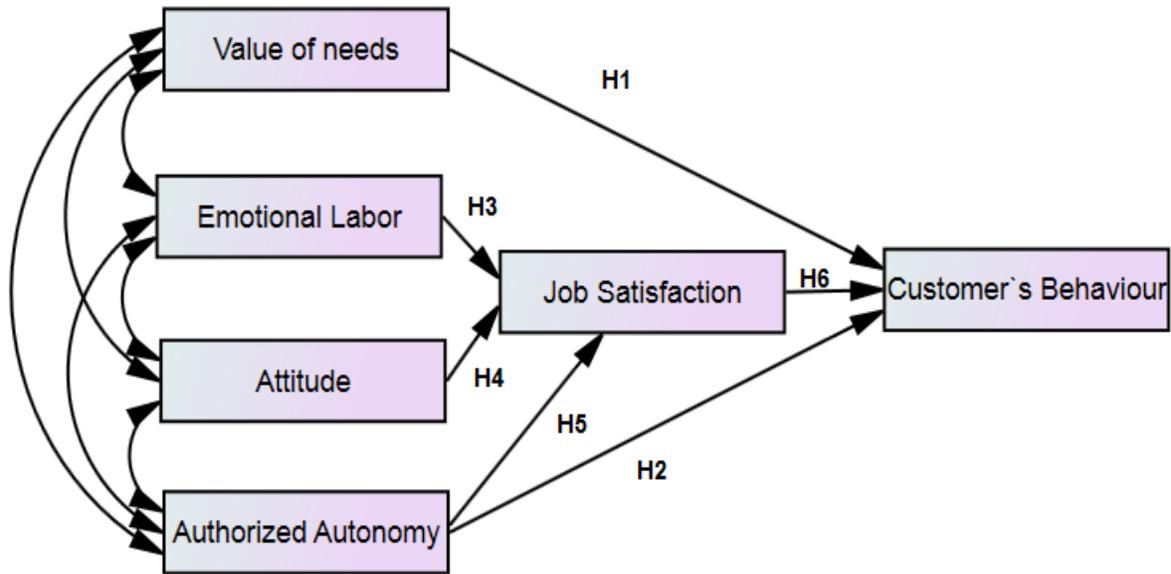


Figure 1: Conceptual framework

MATERIALS AND METHODS

Research Methodology

This section presents the research hypotheses and the conceptual framework regarding to internal marketing towards customer`s behavior followed by the methodological and statistical approaches applied in this study.

Questionnaire Measures

The questionnaire of this research includes 31 questions and 5 variables. The scale of internal Marketing (IM) incorporates two dimensions “Value of needs” and “authorized autonomy”, and 8 items (Fu, 2013). We considered 7 items for assessing the variable of Emotional Labor (EL) that is consistent with Fu (2013). Moreover, 4 items were considered for assessing the variable of Attitude (AT) that is consistent with To *et al.*, (2015). On the other hand, 4 items were considered for assessing the variable of Job Satisfaction (ST) that is consistent with Lee *et al.*, (2013). Finally we considered 8 items for assessing the variable of Customer-oriented Behavior (COB) that is consistent with the Fu`s questionnaire (2013). These measures are stated in table 1 (Appendix 1).

Data Collection

To analyses the proposed research model, a survey was conducted to collect data from sample of 270 staff who work in the Tejarat Bank in Ahvaz in Iran. The questionnaire is consist of two section. The first section is about characteristics information (e.g. gender, Age, Education and job experience) and the second section include of four indicator factors (Value of needs, Authorized Autonomy, Emotional labor and Attitude) and two latent variables (Job`s Satisfaction and Customer`s-oriented Behavior). Each factors has more than two items which are measured using 5point-likert scale.

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Data Analysis Methods

The purpose of this study is to investigate internal marketing factors which may be effect on customer-oriented behavior.

To achieve this purpose, this study employed advanced statistical methods such as Confirmatory Factor Analysis (CFA) and Structure Equation Modeling (SEM) using Amos 20. Confirmatory Factor Analysis is used to predict the number of factor structure of a model which each factor has specific items to identify each factor; those factors are expected to have high to moderate primary factor loadings greater than 0.40 to include in the model (Cua *et al.*, 2001).

SEM can be applied for analyzing the measurement and the structural aspects of the model in the same time.

SEM programs involves, the measures of goodness of fit (GOF indices) of the model such as comparative fit index (CFI), root mean square error of approximation (RMSEA), normed fit index (NFI), goodness-of-fit index (GFI) and Adjusted goodness-of-fit index (AGFI) (Hair, 2010).

These could help the investigator to explore the prediction model which it is generalizing an accepted model from sample to population.

RESULTS AND DISCUSSION

Characteristics of Respondents

From the total of 270 staff who works in the bank, (23.7%) were female and (76.3%) were male. A few of staffs were in 18-25 years old (7.4%). Most of staff (38.1%) was in 26-35 years old and 35.6% were 36-45 years old and around 19% were above 46 years old.

Majority 47.8 % of the staff has a bachelor degree, around 35% of them have a diploma, and 16% has master and PhD degree. Only 1.1 % has a SPM degree. From the job experience majority of the staff 37%, has 11-20 year experience on their job, around 22%, 6-10 years and 22% more than 20 year experience. A few of the 16% has 2-5 year experience.

Confirmatory Factor Analysis (CFA)

In this section, with applying Confirmatory factor analysis (CFA) it is possible to identify the number of factors on observed variables to the specific values. For example the factor of value of needs is consist of five items with factor loading greater than 0.40.

In addition, Authorized autonomy has three items with factor loading of 0.617, 0.852 and 0.563 which are greater than 0.40. These items have the moderate and high factors loading that identify the validity of the items to include the model.

However, emotional labor has one item (EL6) with factor loading of 0.171 < 0.40 which is not significant at 0.001, since p-value=0.007. Therefore CFA suggested eliminating this item as well as COB6, COB7, COB8 with factor loadings of less than 0.40 from the model.

Table 1 showed the results of factor loading measurement from confirmatory factor analysis. Moreover the analysis of model fit measures from CFA are as follow: Comparative fit index CFI=0.819 > 0.8, Root mean square error of approximation RMSEA=0.09 < 0.10, normed fit index (NFI), goodness-of-fit index GFI=0.841 > 0.8.

Thus, it illustrates that the overall structure of the model in this study can describe the structural relationship of the data. In addition, the coefficients of observed indicators of the latent constructs were statistically significant that it explain the good convergent validity of the model. However, the chi-square test is sensitive to a large sample and it is not suggested to analyses for this study with large sample size.

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Table 2: Measurement of factor loadings

| | | | Estimate | S.E. | C.R. | Cronbach's Alpha | Results |
|------|------|------------------------------|----------|------|--------|------------------|---------------|
| V1 | <--- | Value of needs | .748* | | | 0.813 | |
| V2 | <--- | Value of needs | .741* | .080 | 11.957 | 0.798 | Supported |
| V3 | <--- | Value of needs | .589* | .074 | 9.379 | 0.843 | Supported |
| V4 | <--- | Value of needs | .801* | .073 | 12.981 | 0.805 | Supported |
| V5 | <--- | Value of needs | .728* | .081 | 11.738 | 0.806 | Supported |
| AU1 | <--- | Authorized Autonomy | .617* | | | 0.695 | |
| AU2 | <--- | Authorized Autonomy | .852* | .155 | 10.131 | 0.415 | Supported |
| AU3 | <--- | Authorized Autonomy | .563* | .129 | 7.713 | 0.667 | Supported |
| EL1 | <--- | Emotional labor | .824* | | | 0.787 | |
| EL2 | <--- | Emotional labor | .772* | .064 | 14.502 | 0.793 | Supported |
| EL3 | <--- | Emotional labor | .836* | .066 | 16.275 | 0.782 | Supported |
| EL4 | <--- | Emotional labor | .825* | .059 | 15.949 | 0.787 | Supported |
| EL5 | <--- | Emotional labor | .795* | .064 | 15.107 | 0.788 | Supported |
| EL6 | <--- | Emotional labor | .171 | .084 | 2.711 | 0.864 | Not Supported |
| EL7 | <--- | Emotional labor | .326* | .075 | 5.290 | 0.837 | Supported |
| AT1 | <--- | Attitude | .727* | | | 0.824 | |
| AT2 | <--- | Attitude | .710* | .096 | 11.275 | 0.828 | Supported |
| AT3 | <--- | Attitude | .852* | .092 | 13.570 | 0.806 | Supported |
| AT4 | <--- | Attitude | .820* | .082 | 13.071 | 0.846 | Supported |
| JS1 | <--- | Job Satisfaction | .843* | | | 0.822 | |
| JS2 | <--- | Job Satisfaction | .847* | .060 | 17.569 | 0.817 | Supported |
| JS3 | <--- | Job Satisfaction | .728* | .059 | 13.888 | 0.845 | Supported |
| JS4 | <--- | Job Satisfaction | .736* | .058 | 14.107 | 0.84 | Supported |
| COB1 | <--- | Customer`s-oriented Behavior | .380* | | | .754 | |
| COB2 | <--- | Customer`s-oriented Behavior | .837* | .432 | 6.209 | .686 | Supported |
| COB3 | <--- | Customer`s-oriented Behavior | .793* | .415 | 6.132 | .683 | Supported |
| COB4 | <--- | Customer`s-oriented Behavior | .736* | .363 | 6.017 | .703 | Supported |
| COB5 | <--- | Customer`s-oriented Behavior | .801* | .491 | 6.148 | .694 | Supported |
| COB6 | <--- | Customer`s-oriented Behavior | .049 | .174 | .765 | .760 | Not Supported |
| COB7 | <--- | Customer`s-oriented Behavior | .051 | .193 | .792 | .756 | Not Supported |
| COB8 | <--- | Customer`s-oriented Behavior | .184 | .208 | 2.670 | .738 | Not Supported |

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Correlations Coefficients

According to the correlation coefficient matrix presented in Table 3, between all variables of inter marketing, all of the factors significantly and positively correlated with customer-oriented behavior and job satisfaction. The strongest relationship is between customer-oriented behavior and job satisfaction with $\rho=0.757$ followed by value of needs and emotional labor with $\rho=0.755$, attitude and job satisfaction with $\rho=0.750$, Authorized Autonomy and customer-oriented behavior with $\rho=0.688$, job satisfaction and emotional labor with $\rho=0.680$. See table 3.

Table 3: Correlation coefficient matrix

| | Mean | Std. Deviation | Value of needs | Authorized Autonomy | Emotional Labor | Attitude | Job Satisfaction | Customer-oriented behavior |
|----------------------------|------|----------------|----------------|---------------------|-----------------|----------|------------------|----------------------------|
| Value of needs | 2.88 | .696 | 1 | | | | | |
| Authorized Autonomy | 3.22 | .700 | .566** | 1 | | | | |
| Emotional Labor | 2.70 | .768 | .755** | .588** | 1 | | | |
| Attitude | 2.97 | .859 | .403** | .305** | .514** | 1 | | |
| Job Satisfaction | 2.86 | .815 | .553** | .510** | .680** | .750** | 1 | |
| Customer-oriented behavior | 2.99 | .691 | .616** | .688** | .673** | .512** | .757** | 1 |

**Significant at <0.01

Structure Equation Modeling (SEM)

To achieve the objectives of this study, structure equation modeling was employed. The overall measures of model fit are Chi-square = 3.066, df=3, Probability level = .382, RMR=0.004< 0.08, GFI=0.996>0.9, AGFI=0.974, CFI=1, RMSEA=0.009<0.08.

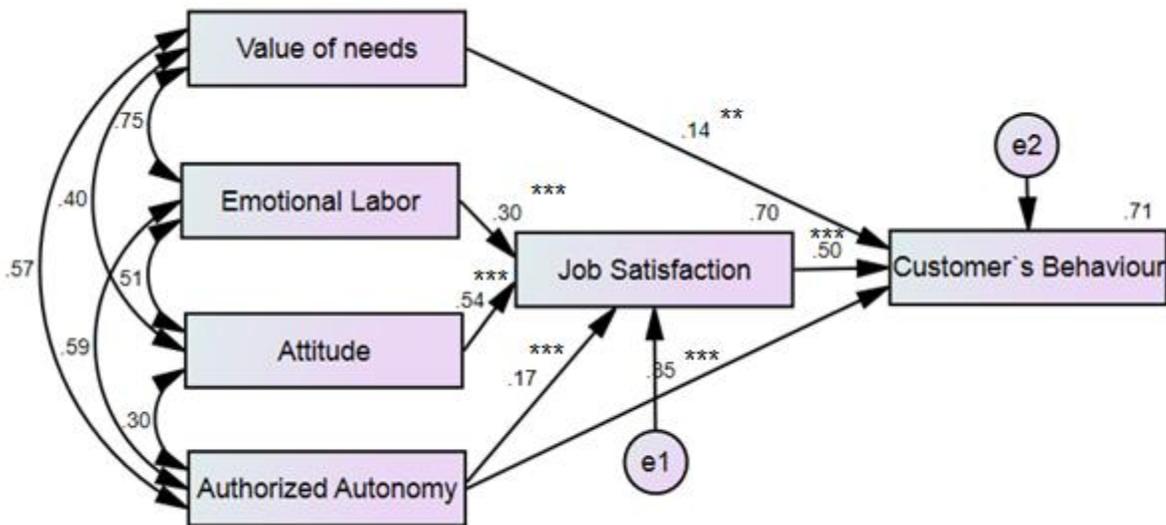


Figure 2: Path coefficients

This result showed a good model fit between the structural relation model of this study and the data. In addition, regarding to the effects of internal marketing on job satisfaction and customer-oriented behavior, these results explore that the value of needs significantly and positively effect on customer-oriented behavior ($\beta=0.14$, $p\text{-value}=0.001<0.01$), authorized autonomy significantly and positively influence customer-oriented behavior ($\beta=0.35$, $p\text{-value}<0.001$) and job satisfaction significantly and positively

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effect on customer-oriented behavior ($\beta=0.5$, $p\text{-value}<0.001$), which is the most effective factors on customer-oriented behavior. Moreover attitude, emotional labor and authorized autonomy significantly and positively influence on job satisfaction with coefficients of $\beta=0.54$, $\beta=0.30$ and $\beta=0.165$ respectively. Squared Multiple Correlations were 0.70 and 0.71 for job satisfaction and customer-oriented behavior respectively which is more than 0.50. See figure 2.

Conclusion

Job satisfaction of the employees is a very important factor for the managers of Iranian Bank Tejarat because this factor affects the important organizational interests such as the customer loyalty and customer-oriented behavior. This research studied the effects of the internal marketing on the employees' satisfaction and the customer-oriented behavior of the employees of Iranian Bank Tejarat. Our results confirmed all hypothesis of the research.

Based on the findings of this research we observed that there is a positive significant relationship between the dimensions of the internal marketing (i.e. Value of need, Authorized autonomy) and the customer-orientation of the employees.

These results is consistent with the findings of Fu (2013), Lings and Geenley (2010), Bouranta *et al.*, (2005) and Tortosa *et al.*, (2009) considering the effects of the internal marketing on the customer-oriented behavior of the employees.

Moreover we found that there is a positive relationship between the dimensions of internal marketing (i.e. emotional labor, job attitude and Authorized autonomy) and the job satisfaction. These results are consistent with the results obtained by Kim *et al.*, (2001) Yoon *et al.*, (2004), Bansala *et al.*, (2001), and Canduit and Mavondo (2001).

On the other hand, we found that there is a relationship between the job satisfaction and the customer-oriented behavior. This result confirms the obtained results of Khodabakhshi (2010), Lee *et al.*, (2013) and Gounaris *et al.*, (2010).

Future Researches and Limitations

Every scientific research is affected by some limitations. This research is not exception in this regard. The instrument of the data collection in this research was the questionnaire that has its own limitations. Among such limitations we can refer to the following points: employees' unfamiliarity with the internal marketing and confusing it with the external marketing and the need for explaining the difference between these two approaches, lack of cooperation among some employees, lack of precision in answering the questions and consequently, removing some questionnaire in the process of data analysis.

We can suggest the following subjects to the researches to focus on them in their future studies:

- To study the effects of internal marketing on the organizational effectiveness
- To study the effects of internal marketing on the absorption of the skillful human resources
- To study the effects of the internal marketing on the reduction of the employees' absence and dissertation

To study the effects of the organizational commitment and citizenship behavior of the employees on their customer-oriented behavior

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Appendix 1

Table 1: Questionnaire Measures

| | | |
|--------------------|------|---|
| Internal Marketing | IM1 | In-service trainings by the bank basically meet my needs |
| | IM2 | My boss supports me and tries to handle my problems |
| | IM3 | Bosses are usually concerned about the workplace and try to solve them |
| | IM4 | If I have specific needs, the organization provide me with flexible helps and solutions |
| | IM5 | My organization attempts to identify and provide the training courses based on the needs of the employees |
| | IM6 | My organization encourage the staff to express their opinions and suggestions |
| | IM7 | The decisions and plans of the organization are accessible for the employees |
| | IM8 | The bank lets the staff have work independence such that they can address the customers' needs independently as they wish |
| Emotional Labor | EL1 | I attempt to address the problems of the customers by providing good services instead of pretending and playing the role of a good employee |
| | EL2 | I try to solve the problems peacefully even if I'm not calm and I'm worried |
| | EL3 | I try to deal friendly with the customers even if I dislike them |
| | EL4 | In the workplace, I show the expected behavior with the customers even if I'm depressed and sad |
| | EL5 | When offering the services to the customers, I feel happiness both in my face and my heart |
| | EL6 | I smile honestly and friendly to the customers |
| | EL7 | Even if I'm disappointed, I try to offer the services friendly |
| Attitude | AT1 | I would be glad to do more efforts for work if needed |
| | AT2 | In general, I feel happy for working in this bank |
| | AT3 | This job encouraged me well and I have enough motivation for it |
| | AT4 | When the others need my help for their work, I help them eagerly |
| Job satisfaction | ST1 | I think my job is interesting |
| | ST2 | I feel easy with my job |
| | ST3 | I am glad and satisfied with my job |
| | ST4 | I am interested in this job |
| Customer- | COB1 | I always smile to the customers |

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| | | |
|----------|------|--|
| oriented | COB2 | I remember the names of the customers naturally |
| Behavior | COB3 | I behave the customers respectfully |
| | COB4 | I respond the customers' needs promptly |
| | COB5 | I'm glad that the customers are satisfied with my services |
| | COB6 | I try to make the customers satisfied with my offered services |
| | COB7 | I feel pleasure when offering the services to the customers |
| | COB8 | My ultimate goal in this job is to meet the needs of the customers |
